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July 27, 1998

To: All Retail Divisions With Responsibility For Shop Rite Stores (ROU Communication: Access SIS Primary Supplier # 425769)

Subject: In Store Couponing

A change to my letter of July 21 with regard to Wakefern Warehouse Couponing has been made due to issues with those Shop Rite Locations that have Philip Morris Exclusive Agreements. Listed below are details:

- All couponing of cartons must be handled at store level. <u>PM Exclusive Accounts should be excluded from the couponing effort.</u>
- ☐ Winston Brand Styles should be couponed at the rate of \$2.50 in New Jersey, Pennsylvania, and Connecticut, and \$3.00 in New York. Salem and Doral should be couponed according to the *Matching Strategy*.
- Retail Reps should leave suggested orders for replenishment of those cartons couponed to ensure adequate stock levels are maintained.
- Couponing should take place during the months of August and September
- ☐ Call frequencies on Shop Rite Stores should be increased to a minimum of twice monthly.

We have a tremendous opportunity to build volume and share. Our major competitor has been slow to react. At this time no plans have been to promote their brands in any other manner than a scanning buy down which cannot be done in Shop Rite Stores.

If you have any questions regarding the above, please call me. *Mick Karuc*